

**LOUNSBERY FERGUSON
ALTONA & PEAK LLP**

ATTORNEYS AT LAW

960 Canterbury Place, Suite 300
Escondido, California 92025-3870
Telephone: (760) 743-1201
Facsimile: (760) 743-9926

OF COUNSEL
CARTH O. REND

SPECIAL COUNSEL
JOHN W. WITT

Writer's Direct Dial (760) 743-1226, ext. 108
Email: hlp@lfap.com

BY FACSIMILE (916) 322-6440
AND U.S. MAIL

5 June 2008

William J. Lenkeit, Commission Counsel
Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, California 95814

Re: Proposed Amendments to Regulation 18946.4 – Tickets to Nonprofit Fundraising Events

Dear Mr. Lenkeit:

I serve as City Attorney of the City of San Marcos and as Corporation Counsel for Centre City Development Corporation, a public, non-profit corporation created by the City of San Diego to staff and implement Downtown redevelopment projects and programs, and write on behalf of those agencies with respect to the proposed amendments.

It is our understanding that the proposed changes would eliminate the "no value" rule for tickets to fundraising events for 501(c)(3) organizations, and would bring such events under the regulations applicable to all other non-profit entities. We also understand that the "no value" rule is being revisited by reason of actual or perceived abuses in relation to the Rose Bowl.

The proposed amendment to the regulation would have an adverse impact and effect on the conflict of interest code filers of the agencies we serve, as well as on the local charitable non-profit entities. The "no value" rule has been one constant in a sea of uncertainty for such public officials with respect to gifts and valuations. It provides public officials with a means to attend charitable events in their communities and to reach their constituents in a manner that has been, at least to date, above reproach. It creates no burden or adverse effect, and there is no need to rely on other individuals or entities to provide valuation information and hope that it is accurate. Additionally, the local charitable non-profit entities also benefit, as the lack of burden on public officials increase the likelihood that such officials will attend such functions and in turn assist the entities in raising funds and their profile for their charitable endeavors.

William J. Lenkeit, Commission Counsel
5 June 2008
Page 2

A complete regulatory reversal does not appear to be necessary to address the concerns expressed regarding the alleged Rose Bowl abuses. The same result could be achieved by providing a maximum number of tickets that would be considered to have "no value" for any given charitable fundraising event. This would allow public officials to attend charitable fundraising events in their communities and to circulate amongst their constituents, and would retain the ability of local charitable non-profit entities to attract public officials, and others, to their fundraising events. In response to your question about the potential alternative approaches to this issue during last month's City Attorneys Department meeting of the League of California Cities, by a show of hands a good number of the city attorneys present indicated they believed this solution was an appropriate alternative to the abolition of the "no value" rule.

We appreciate the consideration of the above-mentioned concerns with respect to the proposed regulation, and request that a copy of this comment letter be provided to the Commission. I would be pleased to answer any questions you may have regarding the foregoing.

Sincerely,



HELEN HOLMES PEAK

Enclosures as noted

cc: Paul Malone, City Manager, City of San Marcos
Nancy Graham, President and COO, Centre City Development Corporation